

REMARKS

By the foregoing amendment, applicant has amended the specification to address the informality noted by the Examiner, canceled original claims 1-23 and added new claims 24-46. Claims 24-46 are currently pending. The new claims address the Examiner's concerns regarding informalities in the claim format.

In the Office action mailed September 25, 2001, the Examiner rejected original claims 1-23 as unpatentable over the prior art of record. To the extent that the Examiner's rejections might be applied to any of the currently pending claims, they are respectfully traversed as follows.

To begin with, applicant respectfully submits that even if the references cited by the Examiner could properly be combined, the references fail to disclose or even remotely suggest certain claimed features.

DeLuca et al. discloses an "advertiser pays" information and messaging system and apparatus that does not include or even remotely suggest certain claimed features. Likewise, Cohen describes a mobile message board display system in which messages are displayed according to schedule, not in response to digital query message. Among other things, DeLuca et al. and Cohen fail to disclose or remotely suggest a system that includes:

Personal communication devices being capable of two-way voice and data communication [claim 24]. DeLuca describes a text based messaging system.

Means for receiving a digital query messages from one of the personal communication devices and transmitting the digital query messages to a computer [Claim 24]. DeLuca describes a system in which messages are sent to the pager independent of any digital query message from the pager.

A system wherein, in response to receipt of a digital query message, the computer determines the geographic location of the personal communication device that transmitted the digital query message and retrieves information from the database of merchant information and transmits the information retrieved only to the personal communication device that transmitted the digital query message for display on the display of the personal communication device that

transmitted the digital query message [claim 24] DeLuca plainly fails to disclose or suggest such a system. Cohen does not disclose or suggest retrieving information from a database of information in response to a digital query message.

A system in which the computer determines the geographic location of the personal communication device that transmitted the digital query based upon the identity of the base station to which the digital query message is transmitted by the personal communication device [claims 25 and 30]. Cohen uses a GPS system for this purpose.

A system in which the database of merchant information is accessible by merchants so that participating merchants can add, delete or alter information that is associated with their merchant ID [claims 29 and 36]. This is a particularly advantageous aspect of the present invention in so far as it minimizes the effort required by the system operator to update information and allows merchants greater control over content. The prior art, including Cohen and DeLuca do not suggest this aspect of the present invention.

A system in which the personal communication devices further comprise a range selector through which the user can adjust the geographic range to be queried [claim 32].

A computer implemented incentive program for encouraging certain participant actions, the program that includes: a plurality of participants; a participant ID associated with each participant; a redemption rate associated with each participant ID; a first reward program under which participants may earn points for certain actions; a second reward program through which the redemption rate associated with a particular participant is adjusted in response to certain participant action; wherein the redemption associated with each participant ID determines the value of the points earned by that participant pursuant to the first reward program [claim 38]. The prior art, including DeLuca fail to disclose or even remotely suggest an incentive system in which a redemption rate that is adjusted according to a second reward system determines the value of points earned pursuant to a first reward program.

In addition, to the extent Examiner has relied upon a combination of DeLuca and Cohen to reject the claims on the ground of obviousness, applicant respectfully traverses the Examiner's determination of obviousness.

35 U.S.C. § 103 authorizes a patent examiner's rejection of a claim where, to meet a claim, it is necessary to modify a single prior art reference or to combine it with one or more other teaching references. The Manual of Patent Examining Procedure ("MPEP") states that the examiner, after indicating that the rejection is under 35 U.S.C. § 103, should set forth "(1) the difference(s) in the claim over the applied reference(s), (2) the proposed modification of the applied reference(s) necessary to arrive at the claimed subject matter, and (3) an explanation why such a proposed modification would be obvious." MPEP § 706.02. This is in accordance with the three-part inquiry for § 103 obviousness set forth by the Supreme Court in Graham v. John Deere, 148 USPQ 459 (1966). Thus, to find the subject matter of claim 18 obvious, the examiner must provide an explanation why the proposed modification would have been obvious.

To establish obviousness, there must be a suggestion or motivation in the references to do so. Id. See also In re Gordon, 221 USPQ 1125, 1127 (Fed. Cir. 1984) (prior art could not be turned upside down without motivation to do so). It is evident from Federal Circuit case law that the preferred method of establishing motivation or suggestion for modification is to rely on a suggestion within the primary reference or to find such a suggestion in a teaching reference. As stated in Fine, "To imbue one of ordinary skill in the art with knowledge of the invention in suit, when no prior art reference or references of record convey or suggest that knowledge, is to fall notion to the invidious effect of a hindsight syndrome." 5 USPQ2nd at 1600 (quoting W.L. Gore & Assoc. v. Garlock, Inc., 220 USPQ 303, 312-13). Accord Mills, 16 USPQ2nd at 1432: In re Demenski; 230 USPQ 313, 315 (Fed. Cir. 1986) (reversing rejection of claims where no suggestion existed in the prior art references to make proposed design modification and rejecting Board's argument as hindsight that the proposed modification was "common practice"). See also Northern Telecom, Inc. v. Data Point Corp., 15 USPQ2nd 1321, 1323 (Fed. Cir. 1990), (rejecting "routine design choice" absent any suggestion in the prior art to make proposed modification).

As applied to the determination of patentability vel non when the issue is obviousness, "it is fundamental that rejections under 35 U.S.C. § 103 must be based on evidence comprehended by the language of that section." In re Grasselli, 713 F.2d 731, 739, 218 USPQ 769, 775 (Fed. Cir. 1983). The essential factual evidence on the issue of obviousness is set forth in Graham v.

John Deere Co., 383 U.S. 1, 17-18, 148 USPQ 459, 467 (1966) and extensive ensuing precedent. The patent examination process centers on prior art and the analysis thereof. When patentability turns on the question of obviousness, the search for and analysis of the prior art includes evidence relevant to the finding of whether there is a teaching, motivation, or suggestion to select and combine the references relied on as evidence of obviousness. See, e.g., McGinley v. Franklin Sports, Inc., 262 F.3d 1339, 1351-52, 60 USPQ2d 1001, 1008 (Fed. Cir. 2001) ("the central question is whether there is reason to combine [the] references," a question of fact drawing on the Graham factors).

"The factual inquiry whether to combine references must be thorough and searching." Id. It must be based on objective evidence of record. This precedent has been reinforced in myriad decisions, and cannot be dispensed with. See, e.g., Brown & Williamson Tobacco Corp. v. Philip Morris Inc., 229 F.3d 1120, 1124-25, 56 USPQ2d 1456, 1459 (Fed. Cir. 2000) ("a showing of a suggestion, teaching, or motivation to combine the prior art references is an 'essential component of an obviousness holding'") (quoting C.R. Bard, Inc. v. M3 Systems, Inc., 157 F.3d 1340, 1352, 48 USPQ2d 1225, 1232 (Fed. Cir. 1998)); In re Dembiczak, 175 F.3d 994, 999, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999) ("Our case law makes clear that the best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis is rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references."); In re Dance, 160 F.3d 1339, 1343, 48 USPQ2d 1635, 1637 (Fed. Cir. 1998) (there must be some motivation, suggestion, or teaching of the desirability of making the specific combination that was made by the applicant); In re Fine, 837 F.2d 1071, 1075, 5 USPQ2d 1596, 1600 (Fed. Cir. 1988) ("teachings of references can be combined only if there is some suggestion or incentive to do so.") (emphasis in original) (quoting ACS Hosp. Sys., Inc. v. Montefiore Hosp., 732 F.2d 1572, 1577, 221 USPQ 929, 933 (Fed. Cir. 1984)).

The need for specificity pervades this authority. See, e.g., In re Kotzab, 217 F.3d 1365, 1371, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000) ("particular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed"); In re Rouffet, 149 F.3d 1350, 1359, 47

USPQ2d 1453, 1459 (Fed. Cir. 1998) ("even when the level of skill in the art is high, the Board must identify specifically the principle, known to one of ordinary skill, that suggests the claimed combination. In other words, the Board must explain the reasons one of ordinary skill in the art would have been motivated to select the references and to combine them to render the claimed invention obvious."); In re Fritch, 972 F.2d 1260, 1265, 23 USPQ2d 1780, 1783 (Fed. Cir. 1992) (the examiner can satisfy the burden of showing obviousness of the combination "only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references").

In this instance, the examiner has not adequately supported the selection and combination of the DeLuca and Cohn references to render obvious the claimed invention. The examiner relies on the advantages taught by the present inventor to provide the requisite motivation. It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." W.L. Gore v. Garlock, Inc., 721 F.2d 1540, 1553, 220 USPQ 303, 312-13 (Fed. Cir. 1983). Thus the Examiner must not only assure that the requisite findings are made, based on evidence of record, but must also explain the reasoning by which the findings are deemed to support the conclusion.

For these reasons, applicant respectfully requests reconsideration and withdrawal of the outstanding rejections and prompt issuance of a Notice of Allowance.

Should the Examiner determine that any action is necessary to place this application into even better form, he is encouraged to contact applicant at the number listed below.

Serial No.: 09/365,748
Art Unit: 2162

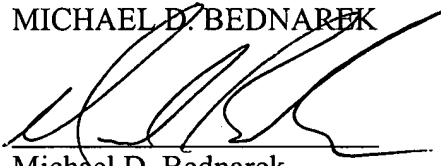
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Respectfully submitted,

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Date: January 25, 2002

Attachments: Amended Spec. w/ Markings
New Claims

MDB/lrhj

VERSION WITH MARKINGS TO SHOW CHANGES MADE TO SPECIFICATION

Paragraph beginning at page 90, line 1:

A personal communication and electronic commerce system for use by participating users and participating merchants in connection with incentive programs in the Network Economy. The system includes a cellular communication network that includes geographically spaced base stations that [communicate] are linked to a fixed communication network. Users may have personal communication devices that can be used to allow a digital message generated on the personal communication devices by placing a call through one of the base stations and memory for storing a digital value corresponding to a monetary value. The personal communication device may also be used as a cellular position locator to determine one's geographic location and, if desired, to access information from a merchant information database containing information pertaining to a plurality of participating merchants located within the geographic territory covered by the cellular communication network. The merchant information may be stored on a database that is accessible by merchants so those merchants can add, delete or alter information contained in their respective listings. An incentive system is also provided for creating incentives for participating users to encouraging desired participant actions comprises a computer implemented incentive program for encouraging certain participant actions. The incentive program includes a first reward program under which participants may earn points for certain actions and a second reward program through which the redemption rate associated with a particular participant is adjusted in response to certain participant action. The incentive program has a wide range of applications, including transportation, financial services and computer gaming.